GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:4443
ANSWERED ON:21.04.2003
SALE OF PRODUCTION
P.C. THOMAS

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Government have taken steps to help farmers to avoid distress sale of their produces;

(b) if so, the details of steps with regard to paddy, wheat, coconut, sugarcane, tobacco, pineapple, cashew, pepper, rubber, coffee and tea;

(c) whether the Government have taken steps to encourage organic manure for agriculture;

(d) if so, the details thereof during the last three years;

(e) whether this has increased production; and

(f) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

(a): In order to help farmers to avoid distress sale of their produces, the Government takes several measures which include announcement of Minimum Support Prices (MSPs) each season of major agricultural commodities, undertaking price support operations of major agricultural commodities by the designated Central Nodal Agencies under the MSP Scheme and using instruments of trade to encourage exports and discourage imports of agricultural commodities etc.

(b): The Government extends price support for the procurement of paddy and wheat through the Food Corporation of India (FCI), the State Governments and their agencies. All the foodgrains (wheat and paddy) conforming to the prescribed specifications offered for sale at specified centres are bought by the public procuring agencies. A wide network of purchase centres are opened throughout the country. In addition to encouraging decentralised procurement, the Government has also taken up procurement operations in some of non-traditional States to extend the benefits of MSP to the farmers. In order to closely monitor, the price support operations, Special Control Rooms are set up in the FCI at its headquarters and regional offices and in the Ministry of Consumer Affairs, Food & Public Distribution. Any report of distress sale is forwarded to the concerned State Government to take immediate remedial measures.

In order to ensure remunerative prices to the coconut growers for their produce, the Government fixes Minimum Support Price (MSP) every year for milling copra and ball copra and undertakes price support operations through the National Agricultural Cooperative Marketing Federation (NAFED) when the prices fall below the support level.

The Government is also implementing the Market Intervention Scheme (MIS) in order to protect the growers of horticultural commodities, like pineapple, from making distress sale in the event of bumper crops during the peak arrival period when prices tend to fall below the economic levels. The MIS is implemented for a particular commodity on the request of the State Government (s) which are ready to bear 50% of the losses (25% in the case of North-Eastern States), if any, in its implementation.

The Government fixes each year the Statutory Minimum Prices (SMP) of sugarcane payable by the sugar factories to the sugarcane growers.

The Government has taken a number of steps to help the tea growers which include increasing basic custom duty on import of tea from 70% to 100%, launching of a communication campaign to promote Indian tea, establishment of price stabilisation fund for providing relief to the growers of the plantation commodities such as tea, coffee, rubber and tobacco etc.

Concerned with the problems of coffee growers, the Government has taken a series of initiatives which include providing 5% interest relief to small coffee growers (having holdings upto 10 hectares) and 3% interest relief to large growers (above 10 hectares) on working capital loans taken by them from financial institutions, increasing import duty on coffee from 70% to 100%, restructuring / reschedulment of loans taken by coffee growers etc.

The Government has taken several measures to help the rubber farmers and these include market intervention operations through State Trading Corporation (STC), fixing and notifying the minimum prices of rubber, promoting diversified use of natural rubber for increasing its consumption in the country, monitoring the import of natural rubber, etc.

Similarly, the Government has taken necessary steps to help the pepper growers and these include supporting growers to improve the quality of pepper through post harvest training, setting up of processing units and improving infrastructure, etc.

The prices of tobacco (VFC) in auctions have been ruling well above the MSPs in the currentseason. These are higher than those realised in the 2001-02 season.

(c) & (d): With a view to propagate the concept of Integrated Plant Nutrient Supply System, Government encourages the use of organic manures such as rural and urban compost, vermicompost, biogas slurry and bio fertilisers etc. along with chemical fertilizers for sustainable agricultural development and productivity. This concept is being popularized by the extension agencies of the State Governments through training and education of the farmers. To augment the supply of non-chemical form of plant nutrients, Government has been implementing a scheme on Development and Use of Bio- fertilisers under which bio-fertilizers production units were set up in different States. A sum of Rs.330.00 lakhs was released to different State Governments during the last three years for setting up of bio-fertiliser units. Under the scheme of Balanced & Integrated Use of Fertilizers, financial support is provided forsetting up of compost plants by the Municipal Corporations so as to convert city waste into useful organicmanure. Funds amounting to Rs.399.52 lakhs were released to different States during the last three years for setting up 9 compost plants.

(e) & (f): The balanced and integrated use of organic manures and chemical fertilisers improve the crop productivity and soil health. However, the increase in production and productivity cannot be attributed to any single factor.